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C O N F I D E N T I A L PORT OF SPAIN 000121

SIPDIS

STATE FOR WHA/CAR, INL-RINDLER, JOHNS, EEB/ESC, INR/I
JUSTICE FOR OIA, OPDAT, AND AFMLS
TREASURY FOR FINCEN, ERIN NEPHEW

E.O. 12958: DECL: 03/17/2019

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SUBJECT: RESPONSE FOR INFORMATION ON ANTI-MONEY LAUNDERING
LAWS IN TRINIDAD AND TOBAGO (C-TN8-02689)

REF: 08 STATE 130137

Classified By: DCM Len Kusnitz for reasons 1.4 (c)

¶1. (C) Summary: Trinidad and Tobago's lack of compliance with the Caribbean Financial Action Task Force (CFATF) anti-money laundering and counter terrorism finance (AML/CTF) recommendations jeopardizes its role as a regional financial leader. CFATF's executive director is calling on the GOTT to enact appropriate legislation before the next CFAFT plenary in May in order for T&T to be viewed as a serious participant in the fight against money-laundering. GOTT contacts respond that necessary legislation is stymied by senior government officials' determination to assign the lead on AML enforcement to the Special Anti Crime Unit of Trinidad and Tobago (SAUTT), a law enforcement entity still lacking formal legal status. Rectifying this would require support from opposition members of parliament that is not forthcoming. End Summary.

¶2. (C) Despite GOTT's plan to launch an international financial center in Port of Spain, the Trinidadian delegation at the 2008 CFATF Plenary reported continued non-compliance and lack of progress on almost all of the AML/CTF deficiencies highlighted in the 2005 CFATF Mutual Evaluation Report (ref). As a result, member countries agreed to send a letter of reprimand to the GOTT requesting substantial advances in compliance by the next plenary meeting, to be held May 6-7 in Port of Spain. CFATF Executive Director Calvin Wilson indicated to PolOff that he had drafted and personally delivered this letter in January to Prime Minister Patrick Manning.

¶3. (C) In a meeting with EmbOffs, National Security Ministry Legal Advisor Norton Jack and Executive Director of the Strategic Services Agency (SSA) Serena Joseph-Harris described three proposed pieces of legislation that would bring the GOTT in compliance with the majority of AML recommendations. These would be (1) legislation enhancing the powers and role of the Financial Investigations Unit (FIU), (2) an amendment to strengthen the Proceeds of Crime Act (POCA), and (3) Financial Obligations Regulations under the POCA. In a subsequent conversation with Wilson and Joseph-Harris, PolOff learned the legislation was to be sent to the Legislative Review Committee (LRC) in March. If the LRC moves it forward, the legislation could be on the parliamentary agenda as early as April.

¶4. (C) The current proposal for the FIU would have the Ministry of Finance gather intelligence on money laundering, while SAUTT conducted investigations. However, SAUTT is not yet a formal legal entity. Legalizing it would take a special two-thirds majority in Parliament, which the ruling

party cannot achieve without opposition support. In the current political climate, there is no likelihood of obtaining any opposition support. Given this, AML contacts believe it would be better to place the investigation unit under the Trinidad and Tobago Police Services, since this could be achieved with a simple majority.

¶5. (C) Wilson of CFATF noted that top GOTT officials are reticent to amend the proposed FIU bill. Consequently, with the CFATF letter of reprimand in hand, Wilson intends to meet with the Minister of Finance, the Minister of National Security, the Attorney General, and the Minister of Energy (who serves as leader of government business in the Senate) to press for changes needed to push the FIU bill through Parliament with a simple majority vote.

¶6. (C) Post contacts advise that compliance with recommendations on counter-terrorism finance (CTF) would require amendments to the Anti-Terrorism Act (ATA) of 2005. This also would require a Parliamentary special majority.

¶7. (C) Comment: The CFATF will need to send a clear message to the GOTT if it remains non-compliant in addressing the AML/CTF deficiencies by the May meeting. Possible alternatives include a fine, a high-level delegation visit, suspension or even expulsion. End Comment.
SHAPIRO